



# Income Tax (Trading and Other Income) Act 2005

## 2005 CHAPTER 5

### PART 3

#### PROPERTY INCOME

#### CHAPTER 10

##### POST-CESSATION RECEIPTS

##### *Meaning of “post-cessation receipts”*

### **355 Transfer of rights if transferee does not carry on UK property business**

- (1) This section applies if—
  - (a) a person (“the transferor”) permanently ceases to carry on a UK property business,
  - (b) the transferor transfers to another person (“the transferee”) for value the right to receive sums arising from the carrying on of any business (“the transferred business”) comprised in the transferor's UK property business, and
  - (c) the transferee does not subsequently carry on the transferred business.
- (2) The transferor is treated as receiving a post-cessation receipt.
- (3) The amount of the receipt is—
  - (a) the amount or value of the consideration for the transfer, if the transfer is at arm's length, or
  - (b) the value of the rights transferred as between parties at arm's length, if the transfer is not at arm's length.

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*Status: Point in time view as at 06/04/2005.*

*Changes to legislation: There are currently no known outstanding effects for the Income Tax (Trading and Other Income) Act 2005, Section 355. (See end of Document for details)*

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- (4) Any sums mentioned in subsection (1)(b) which are received after the cessation of the property business are not post-cessation receipts.

**Modifications etc. (not altering text)**

**C1** Ss. 353-368 modified (7.4.2005) by Finance Act 2005 (c. 7), s. 51(2)

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**Changes to legislation:**

There are currently no known outstanding effects for the Income Tax (Trading and Other Income) Act 2005, Section 355.